

Message

From: Marko, Katharine [Marko.Katharine@epa.gov]
Sent: 1/10/2017 4:04:36 PM
To: Pfeifer, David [pfeifer.david@epa.gov]; Holst, Linda [holst.linda@epa.gov]
Subject: FW: Mining News 1-10-2017
Attachments: Northmet_USFS_Final_ROD_cover letter to public.pdf; Northmet_USFS_Final_ROD.pdf; Northmet_USFS_Final_ROD Table 2.pdf; Northmet_USFS_Final_ROD_Appendix A.pdf; Northmet_USFS_Final_ROD_Appendix B.pdf; NorthMet_USFS_Final_ROD_Appendix C.pdf; NorthMet_USFS_Final_ROD_Map1.pdf; NorthMet_USFS_Final_ROD_Map2.pdf; Northmet_USFS_Final_ROD_Map3.pdf; NorthMet_USFS_Final_ROD_Map4.pdf

FYI

From: Sedlacek, Michael
Sent: Tuesday, January 10, 2017 9:58 AM
To: Ackerman, Charmagne <Ackerman.Charmagne@epa.gov>; Ackerman, Mark <ackerman.mark@epa.gov>; Dee.allen@ldftribe.com; Ambutas, Kestutis <Ambutas.Kestutis@epa.gov>; Anson, Robie <anson.robie@epa.gov>; Arrigoni, Holly <Arrigoni.Holly@epa.gov>; Beckmann, Ronna Erin <beckmann.ronna@epa.gov>; Burdick, Melanie <Burdick.Melanie@epa.gov>; Coleman, John <jcoleman@glifwc.org>; dgcox.mitw.org <dgcox@mitw.org>; Cozza, Daniel <cozza.daniel@epa.gov>; natalene.cummings@fcpotawatomi-nsn.gov; Darrow, Jennifer <darrow.jennifer@epa.gov>; DeLeon, Jose <deleon.jose@epa.gov>; Desai, Sheila <desai.sheila@epa.gov>; Chiriboga, Esteban <esteban@glifwc.org>; Glowacki, Joanna <glowacki.joanna@epa.gov>; KHanson@ldftribe.com; Kaspar, Tyler <TKaspar@1854treatyauthority.org>; Kenney, Thomas <kenney.thomas@epa.gov>; Laplante, Elizabeth <LaPlante.Elizabeth@epa.gov>; Latady, Bill <blatady@boisforte-nsn.gov>; Manoyan, Simon <manoyan.simon@epa.gov>; Manville, Jennifer <manville.jennifer@epa.gov>; Marko, Katharine <Marko.Katharine@epa.gov>; McKim, Krista <mckim.krista@epa.gov>; Mello, Amarin <Amarin.Mello@redcliff-nsn.gov>; Micham, Ross <micham.ross@epa.gov>; Miller, Anna <miller.anna@epa.gov>; Moody, Jonathan <moody.jonathan@epa.gov>; Pellegrini, Janet <pellegrini.janet@epa.gov>; Poleck, Thomas <poleck.thomas@epa.gov>; Poole, Elizabeth <Poole.Elizabeth@epa.gov>; Portanova, Mary <portanova.mary@epa.gov>; Ramaly, Todd <ramaly.todd@epa.gov>; Ripley, Mike - Ottawa Chippewa MI <mripley@sault.com>; Roy, Stephen <roy.stephen@epa.gov>; nancyschuldt@fdlrez.com; Sedlacek, Michael <Sedlacek.Michael@epa.gov>; Thompson, Robert <thompson.robertl@epa.gov>; Vargas, Noel <vargas.noel@epa.gov>; Dvogt@1854treatyauthority.org; Wagner, William <wagner.william@epa.gov>; Walts, Alan <walts.alan@epa.gov>; Margaret Watkins <mwatkins@grandportage.com>; lwawronowicz@ldftribe.com; Weaver, Kerryann <weaver.kerryann@epa.gov>; Wester, Barbara <wester.barbara@epa.gov>; Westlake, Kenneth <westlake.kenneth@epa.gov>; White, Dawn <dwhite@glifwc.org>; Yu, Yone <yu.yone@epa.gov>
Subject: Mining News 1-10-2017

Forest Service approves PolyMet land trade

Duluth News Tribune (MN) - January 10, 2017

- * **Author/Byline:** John Myers jmyers@duluthnews.com
- * **Edition:** Final
- * **Section:** Front Page
- * **Page:** A1

The U.S. Forest Service on Monday backed a major land trade that will give PolyMet Mining Co. access to the land where it plans to build an open-pit copper-nickel mine.

The Forest Service announced its final "record of decision" on the land swap that will see PolyMet receive access to 6,650 acres at the mine site between Hoyt Lakes and Babbitt.

In exchange, PolyMet already has purchased the rights to 6,690 acres of undeveloped private land within the boundary Superior National Forest that will now transfer to the Forest Service.

Access to the federal land at the mine site is critical for the PolyMet project which still needs approval from the U.S. Army Corps of Engineers for wetlands and other water issues involved with the project.

PolyMet also must secure more than 20 state and federal permits for the mine with those expected later this year.

With the addition of the federal land, PolyMet now has access to about 19,000 acres at the site, nearly 30 square miles, including the shuttered Erie Mining Co. processing plant, the former Erie waste rock tailings basin and the transportation corridor between the mine site and the plant.

Jon Cherry, PolyMet CEO, said the Forest Service approval of the land swap further validates the state and federal environmental review completed last year.

"This is an incredibly important milestone for PolyMet as we consolidate the surface land and mineral ownership in and around the NorthMet ore body and Erie Plant site," Cherry said in a statement.

The Forest Service said the land deal was justified because of its local economic impact and because it results in a net 40-acre increase in National Forest lands, a 505-acre increase in wetlands under federal ownership and a 94-acre increase in public lakes with water frontage available for public and tribal use.

The Forest Service also noted that the federal land at the PolyMet mine site had no public access - essentially land-locked by mining company land.

The Forest Service approval comes just weeks after the agency issued an opinion that could scuttle the proposed Twin Metals copper mine near Ely, just 30 miles northeast of the PolyMet site. Federal agencies under the Obama administration said the Twin Metals project is simply too close to the Boundary Waters Canoe Area Wilderness to allow. That decision could be overruled by the incoming Trump administration. PolyMet is in the St. Louis River/Lake Superior watershed, while Twin Metals is in the BWCAW/Rainy River watershed.

U.S. Rep. Rick Nolan, D-Minn., applauded the Forest Service decision on PolyMet.

"This is wonderful news for our Iron Range," Nolan said in a statement. "We are another step closer to making the Polymet initiative a reality. I will continue to work with the appropriate agencies to ensure that the proposed project moves forward in an efficient manner."

PolyMet supporters say the all-new kind of mining will employ 300 people and pump \$550 million into the regional economy each year, a welcome diversification in an area hard-hit by the cyclical iron ore industry.

But critics say the potential for polluted runoff from the site is too great and that the potential environmental harm isn't worth the risk - especially the risk of acidic runoff when sulfur-bearing rock is exposed to air and water, a situation unique to copper mining.

Paul Danicic, executive director of the Friends of the Boundary Waters Wilderness, called the federal land transfer "a bad deal for taxpayers, premature, and not in the public interest. No exchange of land can undo the damage that PolyMet would do to this area. The land that PolyMet seeks to mine contains thousands of acres of high-value wetlands that are irreplaceable."

PolyMet's Environmental Impact Statement was approved in 2015 by the Minnesota Department of Natural Resources after a nearly 10-year environmental review period that included a do-over after the initial review was deemed inadequate by federal regulators. Toronto-based Poly-Met, which is one-third owned by Swiss commodities giant Glencore, is a so-called "Canadian junior" mining company, and the Hoyt Lakes mine is the only project it has. The company will need to raise more than half a billion dollars from investors and lenders to actually build out the mine, with financing likely to come after permits are approved.

If permits are issued construction is expected to take about two years.

From: Jimenez, Michael -FS <mjimenez@fs.fed.us>

Sent: Monday, January 9, 2017 4:47 PM

To: Westlake, Kenneth; Sedlacek, Michael; Michael Kunz; Clark, Richard (MPCA) (richard.clark@state.mn.us); Bill Johnson; Lisa Fay; Kenton Spading; Ralph Augustin; Randall Doneen; Naramore, Barb (DNR) (Barb.Naramore@state.mn.us); esteban@glifwc.org; [john.coleman](mailto:john.coleman@glifwc.org) (jcoleman@glifwc.org)

Cc: Taylor, Peter R -FS; Periman, Richard -FS

Subject: Forest Service NorthMet Project Land Exchange Final ROD

Folks,

The Superior National Forest Supervisor, Connie Cummins, has signed the Final ROD for the NorthMet Project Land Exchange.

Attached are copies of:

- Cover Letter to the public
- Final ROD
- Table 2 – Public Interest Factors
- Appendixes A-C
- 4 Maps of lands being exchanged.

Copies of these documents have also been sent to the Tribal Chairs.

These documents are also available on the Superior National Forest website. Go to

<https://www.fs.usda.gov/goto/superior/projects> and then open the link to the NorthMet Project webpage.

If you have any questions please contact me.



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